



Department of Justice

FOR IMMEDIATE RELEASE
MONDAY, JULY 29, 2002
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JUSTICE DEPARTMENT REACHES SETTLEMENT WITH NATIONAL ASSOCIATION OF POLICE EQUIPMENT DISTRIBUTORS

Association Agrees Not to Boycott Manufacturers Who Sell Police Equipment Directly to State and Local Governments Under GSA Program

WASHINGTON, D.C. — The Department of Justice today reached a settlement with the National Association of Police Equipment Distributors Inc. (NAPED) that will prohibit NAPED from engaging in an unlawful group boycott of manufacturers that sell police equipment – such as body armor, batons, uniforms and handcuffs – directly to state and local governments under a federal program operated by the General Services Administration (GSA).

The Department said that the GSA program was established to make police equipment available to state and local law enforcement agencies directly from the manufacturer at the reduced prices negotiated by GSA for federal law enforcement agencies using the equipment for drug interdiction. The proposed settlement prohibits NAPED from taking any action to discourage or prevent manufacturers from participating in the GSA program.

The Department filed a civil antitrust complaint today in U.S. District Court in West Palm Beach, Florida, alleging that NAPED violated Section 1 of the Sherman Act by threatening equipment manufacturers with the loss of sales of police equipment products to NAPED members if they sold to state and local law enforcement agencies under the GSA program. At the same time, the Department filed a proposed consent decree that, if approved by the court, would resolve the lawsuit.

“NAPED, through the conduct alleged in the complaint, sought to subvert a federal program that allows state and local law enforcement agencies to obtain competitive prices for police equipment,” said Charles A. James, Assistant Attorney General in charge of the Antitrust Division.

NAPED is a trade association of competing distributors and dealers who carry a wide range of police equipment products. NAPED maintains its principal place of business in Boynton Beach, Florida.

As required by the Tunney Act, the proposed consent decree, along with the Department’s competitive impact statement, will be published in the Federal Register. Any person may submit written comments concerning the proposed consent decree during the 60-day public comment period to Marvin N. Price, Jr., Chief, Chicago Field Office, Antitrust Division, Department of Justice, 209 S. La Salle St., Suite 600, Chicago, Illinois 60604. At the conclusion of the 60-day comment period, the court may enter the final judgment upon a finding that it serves the public interest.

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